



STEVE COOLEY  
LOS ANGELES COUNTY DISTRICT ATTORNEY

18000 CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTER  
210 WEST TEMPLE STREET LOS ANGELES, CA 90012-3210 (213) 974-3501

April 20, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE DISTRICT ATTORNEY TO ENTER INTO GRANT  
AWARD AGREEMENTS (GAA) WITH THE STATE OF CALIFORNIA,  
DEPARTMENT OF INSURANCE (CDI) FOR THE WORKERS'  
COMPENSATION INSURANCE FRAUD (WCIF), DISABILITY AND  
HEALTHCARE INSURANCE FRAUD (DHIF), AND AUTOMOBILE  
INSURANCE FRAUD (AIF) PROGRAMS FOR FISCAL YEAR 2010-11  
(ALL DISTRICTS) (3-VOTES)**

**SUBJECT**

The Workers' Compensation Insurance Fraud (WCIF), Disability and Healthcare Insurance Fraud (DHIF), and Automobile Insurance Fraud (AIF) Programs support enhanced investigation and prosecution of workers' compensation fraud cases, fraudulent disability and healthcare insurance claims, and organized automobile insurance fraud activity, respectively. The District Attorney is requesting the Board sign the attached resolutions required to enter into three Grant Award Agreements (GAA) with California Department of Insurance (CDI) for grant funds for Fiscal Year (FY) 2010-11.

**IT IS RECOMMENDED THAT YOUR BOARD:**

Adopt the attached Resolutions authorizing the District Attorney to enter into an agreement for each of the WCIF, DHIF, and AIF Programs with the State of California, Department of Insurance (CDI) for the period of July 1, 2010 to June 30, 2011. There is no required County match for these grants.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

#15 APRIL 20, 2010

SACHI A. HAMAI  
EXECUTIVE OFFICER

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On February 9, 2010, the District Attorney's Office (DA) received the FY 2010-11 Request for Applications (RFAs) from CDI for WCIF, DHIF, and AIF Programs. The objective of these programs is to develop an active partnership in anti-fraud efforts.

The attached resolutions require Board adoption as part of the Grant Award Agreement (GAA). The attached resolutions have been approved as to form by County Counsel and adoption of the resolutions will satisfy County and State requirements.

### **Implementation of Strategic Plan Goals**

Approval of the recommended action is consistent with the Los Angeles County's Strategic Plan Goal No. 1, Operational Effectiveness, to maximize the effectiveness of the County's processes, structure, and operations to support timely delivery of customer-oriented and efficient public services; and Strategic Plan Goal No. 5, Public Safety, to ensure that the committed efforts of the public safety partners continue to maintain and improve the safety and security of the people of Los Angeles County.

### **FISCAL IMPACT/FINANCING**

The District Attorney's Office will notify the Board once funds have been awarded to WCIF, DHIF, and AIF Programs for FY 2010-11.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Insurance Code Sections 1872.83(d) (WCIF), 1872.85 (c)(2) (DHIF) and 1872.8(b)(1)(D) (AIF), CDI is authorized to award and distribute certain funds to District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of workers' compensation fraud cases, fraudulent disability and healthcare insurance claims, and organized automobile insurance fraud activity, respectively.

The DA has been awarded funding for the WCIF for the past seventeen years, DHIF for five years, and AIF for seventeen years.

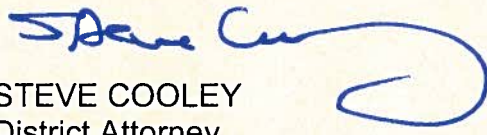
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

These programs do not propose attorney staff augmentation. Therefore, the DA is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

**CONCLUSION**

Following Board approval, the Executive Officer-Clerk of the Board is requested to return two (2) copies of the adopted Board Letter, and two (2) copies each of the executed Resolutions to Ms. Emily Aidells, District Attorney's Office, 201 N. Figueroa Street, Suite 1300, California, 90012. Any questions may be directed to Ms. Aidells at (213) 202-7674.

Respectfully submitted,

  
STEVE COOLEY  
District Attorney

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Attachments

c: Chief Executive Officer  
County Counsel  
Executive Office, Board of Supervisors



1                                   **BOARD OF SUPERVISORS**  
2                                   **COUNTY OF LOS ANGELES**  
3                                   **RESOLUTION**

4                   Authorization to Accept a Grant Award from the  
5                   State of California, Department of Insurance  
6                   Pursuant to California Insurance Code  
7                   Chapter 12, commencing with § 1871, et seq.

8                   **WHEREAS**, the provisions of § 1872.83 of the California  
9 Insurance Code authorize the State of California, Department of Insurance to  
10 award and distribute certain funds to District Attorneys submitting plans  
11 approved by the Fraud Division for the increased investigation and  
12 prosecution of fraudulent workers' compensation claims; and the District  
13 Attorney is charged with providing prosecution of all felony offenses  
14 committed within this County; and

15                   **WHEREAS**, the Board of Supervisors of Los Angeles County  
16 recognizes that fraudulent claims are costing our citizens millions of dollars  
17 annually, with thousands of jobs being lost due to local business closures  
18 precipitated by escalating workers' compensation costs caused by fraud; and

19                   **WHEREAS**, the County of Los Angeles, acting through its Board  
20 of Supervisors, desires to combat workers' compensation insurance fraud by  
21 undertaking a certain project designated the "Workers' Compensation  
22 Insurance Fraud Program" by the District Attorney, to be funded through  
23 funds made available by the Insurance Fraud Prevention Act as provided for  
24 pursuant to California Insurance Code § 1872.83, administered by the State  
25 of California, Department of Insurance; and

26                   **WHEREAS**, the State of California, Department of Insurance  
approved the fraud reduction plan submitted by the Los Angeles County District

1 Attorney's Office for FY 2010-2011, for the Workers' Compensation Insurance  
2 Fraud Program for this specific task.

3 **NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors  
4 of the County of Los Angeles hereby authorizes and approves acceptance of grant  
5 funds from the State of California, Department of Insurance, to be used  
6 exclusively for the program designated the "Workers' Compensation Insurance  
7 Fraud Program" for the period covering July 1, 2010 to June 30, 2011;

8 **BE IT FURTHER RESOLVED** that the County of Los Angeles  
9 hereby authorizes the District Attorney to serve as Project Director and to  
10 perform all further tasks necessary for the completion of the project, including  
11 any extensions, execution and submission of amendments, progress reports,  
12 and payment requests relating to the Grant Award Agreement;

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1 I DO HEREBY CERTIFY that at a regular meeting of the Board of  
2 Supervisors of the County of Los Angeles, on this 20<sup>TH</sup> day of  
3 APRIL, 2010, the foregoing Resolution was adopted.

4 IN WITNESS WHEREOF, I have hereunto set my hand and  
5 affixed the seal of the Board of Supervisors of the County of Los Angeles  
6 this 20<sup>TH</sup> day of APRIL, 2010.

8 County of Los Angeles

9  
10 By Gloria Molina  
11 Chair, Board of Supervisors



13 APPROVED AS TO FORM  
14 BY COUNTY COUNSEL:

15 ANDREA SHERIDAN ORDIN

16  
17 By Jennifer A. D. Lehman  
18 Jennifer A. D. Lehman  
19 Principal Deputy County Counsel

20  
21 ATTEST: SACHI A. HAMAI  
22 EXECUTIVE OFFICER  
23 CLERK OF THE BOARD OF SUPERVISORS

24 By [Signature], Deputy

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2                                   **COUNTY OF LOS ANGELES**  
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6                   Pursuant to California Insurance Code  
7                   Chapter 12, commencing with § 1871, et seq.

8                   **WHEREAS**, the provisions of § 1872.85 of the California  
9 Insurance Code authorize the State of California, Department of Insurance to  
10 award and distribute certain funds to District Attorneys submitting plans  
11 approved by the Fraud Division for the increased investigation and  
12 prosecution of fraudulent disability and healthcare insurance claims; and the  
13 District Attorney is charged with providing prosecution of all felony offenses  
14 committed within this County; and

15                   **WHEREAS**, the Board of Supervisors of Los Angeles County  
16 recognizes that fraudulent healthcare and disability insurance claims are costing  
17 our citizens millions of dollars annually, as reflected in higher insurance premiums  
18 and increased costs for medical services and equipment; and

19                   **WHEREAS**, the County of Los Angeles, acting through its Board  
20 of Supervisors, desires to combat disability and healthcare insurance fraud  
21 by undertaking a certain project designated the "Disability and Healthcare  
22 Insurance Fraud Program" by the District Attorney, to be funded pursuant to  
23 the Insurance Fraud Prevention Act as provided in California Insurance Code  
24 § 1872.85 and administered by the State of California, Department of  
Insurance; and

25                   **WHEREAS**, the State of California, Department of Insurance  
26 approved the fraud reduction plan submitted by the Los Angeles County District

1 Attorney's Office for FY 2010-2011, for the Disability and Healthcare Insurance  
2 Fraud Program.

3 **NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors  
4 of the County of Los Angeles hereby authorizes and approves acceptance of grant  
5 funds from the State of California, Department of Insurance, to be used  
6 exclusively for the program designated the "Disability and Healthcare Insurance  
7 Fraud Program" for the period covering July 1, 2010 to June 30, 2011;

8 **BE IT FURTHER RESOLVED** that the County of Los Angeles  
9 hereby authorizes the District Attorney to serve as Project Director and to  
10 perform all further tasks necessary for the completion of the project, including  
11 any extensions, execution and submission of amendments, progress reports,  
12 and payment requests relating to the Grant Award Agreement;

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8 County of Los Angeles

9  
10 By *Gloria Molina*  
11 Chair, Board of Supervisors

12  
13 APPROVED AS TO FORM  
14 BY COUNTY COUNSEL:

15 ANDREA SHERIDAN ORDIN



16  
17 ATTEST: SACHI A. HAMAI  
18 EXECUTIVE OFFICER  
19 CLERK OF THE BOARD OF SUPERVISORS

20 By *Sachi A. Hamai*, Deputy

21  
22 By *Jennifer A. D. Lehman*  
23 Jennifer A. D. Lehman  
24 Principal Deputy County Counsel  
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3                                   **RESOLUTION**

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5                                   State of California, Department of Insurance  
6                                   Pursuant to California Insurance Code  
7                                   Chapter 12, commencing with §1871, et seq.

8                                   **WHEREAS**, the provisions of §1872.8 of the California  
9 Insurance Code authorize the State of California, Department of Insurance to  
10 award and distribute certain funds to District Attorneys submitting plans  
11 approved by the Fraud Division for the increased investigation and  
12 prosecution of fraudulent automobile insurance claims; and the District  
13 Attorney is charged with providing prosecution of all felony offenses  
14 committed within this County; and

15                                  **WHEREAS**, the County of Los Angeles, acting through its Board of  
16 Supervisors, desires to combat automobile insurance fraud by undertaking a  
17 certain project designated the "Automobile Insurance Fraud Program" by the  
18 District Attorney, to be funded through funds made available by the Insurance  
19 Fraud Prevention Act as provided for pursuant to California Insurance Code  
20 §1872.8, administered by the State of California, Department of Insurance; and

21                                  **WHEREAS**, the State of California, Department of Insurance  
22 approved the fraud reduction plan submitted by the Los Angeles County District  
23 Attorney's Office for FY 2010-2011, for the Automobile Insurance Fraud Program  
24 for this specific task.

25                                  **NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors  
26 of the County of Los Angeles hereby authorizes and approves acceptance of grant  
funds from the State of California, Department of Insurance, to be used

1 exclusively for the program designated the "Automobile Insurance Fraud Program"  
2 for the period covering July 1, 2010 to June 30, 2011;

3 **BE IT FURTHER RESOLVED** that the County of Los Angeles  
4 hereby authorizes the District Attorney to serve as Project Director and to  
5 perform all further tasks necessary for the completion of the project,  
6 including any extensions, execution and submission of amendments,  
7 progress reports, and payment requests relating to the Grant Award  
8 Agreement;

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10 By Gloria Molina  
11 Chair, Board of Supervisors

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14 BY COUNTY COUNSEL:

15 ANDREA SHERIDAN ORDIN



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17 ATTEST: SACHI A. HAMAI  
18 EXECUTIVE OFFICER  
19 CLERK OF THE BOARD OF SUPERVISORS

20 By Sachi A. Hamai, Deputy

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22 By Jennifer A. D. Lehman  
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24 Principal Deputy County Counsel  
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